



Arizona State Retirement System

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Fact Sheet

Information:

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TEMPORARY POSITIONS – SUBSTITUTE TEACHING

Historical Reference

The Arizona State Retirement System was created July 1, 1953. At the same time, the State of Arizona executed the federal Old Age and Survivor Agreement under Section 218 of the Social Security Act. Eligibility for membership in ASRS requires that positions first must be covered under the employer's Social Security 218 Agreement. During this time, ASRS membership was open to all state agencies, all universities, community colleges, and political subdivisions. For one year, there were no other participation restrictions. Session laws of 1954 allowed temporary state employees to sign a three-month waiver. This allowed temporaries hired to work less than three months the option not to participate in the ASRS. After the three-month period temporary workers were required to participate in the ASRS.

In 1954, the Arizona Teachers Retirement System (TRS) approached the ASRS about combining the two programs. The TRS membership voted to join the ASRS effective January 1, 1955. As substitute teachers were not eligible to participate in TRS, there was no prior service to transfer. From 1954 through 1977, Arizona law did not allow substitute teachers or vocational teachers to participate in the retirement system. After 1977, when all ASRS employers were required to participate in the Defined Benefit Plan, the restriction for substitute and vocational teachers was removed from law.

ASRS Membership Defined by Statute

From 1953 until 1971, the definition for membership only listed those positions not eligible to participate as three-month temporary employees, substitute teachers and vocational teachers. With the creation of the Defined Benefit Plan, Arizona law defined participation in the ASRS membership as an employee in a position covered under an employer's Section 218 agreement who is engaged to work at least five continuous months in each fiscal year for at least 20 hours per week for one or more employers. (A.R.S. § 38-711) (22).)

In 1993, the Arizona Legislature simplified the participation requirements. The definition of participation was changed to cover an employee hired to work for one or more ASRS employers for at least 20 hours a week for at least 20 weeks a year. In 1998, the law was changed from "one or more employers" to "one employer."

Eligibility for Membership

Eligibility is determined by the employee's position. The position must be included in the employer's Social Security Title 218 Agreement, which provides for coverage under the federal Old Age and Survivors Insurance System. Under A.R.S. § 38-738, if it is found that an error was made in determining eligibility, the employee, the employer or an ASRS auditor may request an adjustment to correct the error.

Qualifying to Participate in the ASRS

The final determination regarding membership with the Arizona State Retirement System is made by the ASRS.